

Internal Audit Report for Brundish Parish Council

for the period ending 31 March 2026

Clerk	Vacant – previously Amanda Austin
RFO (if different)	Cllr Carl King
Chairperson	Cllr Neil Parsons
Precept	£4,924.00
Income	£7,255.26
Expenditure	£9,217.12
General reserves	£7,894.53
Earmarked reserves	£6,170.20
Audit type	Annual – Exempt authority
Auditor name	Debbie Frost

Introduction

The primary objective of internal audit is to review, appraise and report upon the adequacy of internal control systems operating throughout the council. To achieve this SALC adopt a predominantly systems-based approach to audit.

The council's internal control system comprises the whole network of systems established within the council to provide reason able assurance that the council's objectives will be achieved, with reference to:

- the effectiveness of operations
- the economic and efficient use of resources
- compliance with applicable policies, procedures, laws, and regulations
- the safeguarding of assets and interests from losses of all kinds, including those arising from fraud, irregularity, and corruption

- the integrity and reliability of information, accounts, and data

Methodology

When conducting the audit, the internal auditor may:

- conduct a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year in order to be able to complete the Annual Internal Audit Report 2025/26 of the Annual Governance and Accountability Return (AGAR)
- review the reliability and integrity of financial information and the means used to identify, measure, classify and report such information
- review the means of safeguarding assets and, as appropriate, verify the existence of such assets
- appraise the economy and efficiency with which resources are employed, identify opportunities to improve performance and recommend solutions to problems
- review the established systems to ensure compliance with those policies, procedures, laws, and regulations which could have a significant impact on operations, and determine whether the council complies
- review the operations and activities to ascertain whether results are consistent with objectives and whether they are being conducted as planned

Section 1 – Financial Regulation and Standing Orders		
The internal auditor will check the date the Council conducted its annual review of both Standing Orders and Financial Regulations and in particular check if these are based on NALC'S latest model which include legislative changes.		
Evidence		<i>Internal auditor commentary</i>
Have Standing Orders been adopted, up to date and reviewed annually?	Yes	Council's Standing Orders are based on the latest model published by the National Association of Local Councils (NALC), April 2025 and are fully tailored to the council. Council approved its Standing Orders at a meeting of council held on 21 January 2026.
Are Financial Regulations up to date and reviewed annually?	Yes	Financial Regulations, as seen on the Council's website, are based on the latest model published by NALC, Model Financial Regulations March 2025 with provisions included as outlined under NALC Advice Note – Procurement, 3 February 2026 link to view the advice note . Council approved its Financial Regulations at a meeting of council held on 21 January 2026.
Has the Council properly tailored the Financial Regulations?	Yes	The Council's Financial Regulations have been tailored to the Parish Council.
Has the Council appointed a Responsible Financial Officer (RFO)? ¹	Yes	In accordance with Section 151 of the Local Government Act 1972 (financial administration), the Council has appointed a person (Cllr C King) to be responsible for the administration of the financial affairs of the relevant authority. This was reconfirmed by full Council at its meeting 7 May 2025. <i>Comment: Council has noted that the proper segregation of duties means that the Chairman of the authority or of the Finance Committee should</i>

¹ Section 151 Local Government Act 1972

		<i>never be appointed (even on a short-term basis) as an RFO. Other members may perform these roles, unpaid, on a short-term basis providing appropriate safeguards are in place or if their appointment is unavoidable to ensure statutory functions continue to be fulfilled.</i> Whilst it is noted that Council adopted a Procurement Policy at the meeting of 21st January 2026, the adopted policy did not form part of the associated papers for the meeting and cannot be found on the Council's website. <i>Comment: Council is advised to ensure that the policy is aligned to Financial Regulation 5.16 "No individual member, or informal group of members may issue an official order (unless instructed to do so in advance by a resolution of the council) or make any contract on behalf of the council".</i>
Additional comments:		

Section 2 – Budgetary controls The internal auditor will seek verification that budgets are properly prepared, agreed and monitored. In particular they will look for evidence of good practice in that the key stages of the budgetary process have been followed		
Evidence		Internal auditor commentary
Verify that budget has been properly prepared and agreed	Yes	The budget for the year 2025/2026 was approved at the Council meeting of 8 January 2025 although there is no clear confirmation within the minutes as to the final budget figure being set. However, budget papers as seen on the website provide details on the budget, and precept. <i>COMMENT: to ensure transparency in the budgetary process Council might wish to evidence, by recording within the minutes, the budget being set alongside the reasoning for such a budget and also the implications for Band D Council Tax</i>

Verify that the precept amount has been agreed in full Council and clearly minuted	Yes	The precept was set at £4,924 for 2025-26, as confirmed at the above meeting, with the paperwork demonstrating that this was a 4.2% increase over that set the previous year. <i>COMMENT: in accordance with best practice, council is advised to record in the minutes the precept being set and the impact that this would have on a Band D Dwelling in monetary as well as percentage terms.</i>
Regular reporting of expenditure and variances from budget	Yes	The minutes evidence that Council carried out its regular review covering the budget for the current year with a review of income and expenditure against budget along with forecasts for the remainder of the year
Reserves held – general and earmarked ²	Yes	The Council, as at year-end, had Earmarked Reserves totalling £6,170.20 which included the CIL Reserve of £4,670.20 with the balance being General Reserves of £7,894.53. Overall reserves stood at £14,064.73. <i>COMMENT: council is advised to note guidance as issued by Proper Practices which states that it is regarded as acceptable for a council's general (non-earmarked revenue) reserves to be equal to 3 to 12 months of Net Revenue Expenditure. There is no upper limit for earmarked reserves, but they should be held for genuine and intended purposes and their level subject to regular review and justification (at least annually).</i> RECOMMENDATION: council should seek to adopt a General Reserve Policy which would provide clarity on the reasoning behind the holding of and intended level of general reserves to be maintained to ensure that the council achieves the recommended levels.
Additional comments: in the main, Council has followed the recommended key stages as to the budgetary process for the year: decided the form and level of detail of the budget; reviewed the current year budget and spending; determined the cost of spending plans; assessed levels of income; brought together spending and income plans; provided for contingencies and considered the need for reserves;		

² In accordance with proper practices, the generally accepted minimum level of a Smaller Authority's General Reserve is that this should be maintained at between three (3) and twelve (12) months of Net Revenue Expenditure

approved the budget; confirmed the precept or rates and special levies; and reviewed progress against the budget regularly throughout the year.

Section 3 – Proper bookkeeping The internal auditor will look at the methods and processes used to manage the council's accounts and in particular that it provides clear data for reporting and monitoring purposes. This includes checking information is accurate, kept up to date, referenced and verified.		
Evidence		Internal auditor commentary
<i>Is the ledger maintained and up to date?</i>	Yes	The council uses an excel spreadsheet to produce reports on a Receipts and Payments basis and ensures that the financial transactions of the parish council are as accurate as reasonably practicable. All transactions are well referenced and provide an effective tool for the basis of the council's internal controls. It provides data for analysis allowing the RFO to produce clear financial management reports.
<i>Is the ledger on the correct basis in relation to the gross income/expenditure?</i> (under Proper Practices, Councils are required to work on an Income & Expenditure basis when their gross income, or gross expenditure, exceeds £200,000 for 3 consecutive years)	Yes	Council's gross income and expenditure level is below the threshold of £200,000 and has been for three continuous years. Council's operating under this limit may choose either to report on an income and expenditure basis or on a receipts and payments basis. Council has elected to report its financial matters on a receipts and payments basis/income and expenditure basis
<i>Is the cash book up to date and regularly verified?</i>	Yes	Council follows Proper Practices in ensuring that its accounting procedure gives an accurate presentation of the financial position and provides good evidence to support the council's underlying statements which are verified by council.
<i>Is the arithmetic correct?</i>	Yes	A number of spot checks were carried out, and the functionality of the cashbook was found to be in order. <i>COMMENT: The RFO has shown best practise by ensuring, for further transparency and scrutiny, that all payments and receipts are referenced with a</i>

		<i>description as to the expenditure and income being incurred to ensure the integrity of data being input and processed.</i>
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Recommendation: as previously advised, council should seek to ensure that the cashbook and/or minutes make reference to the powers used to incur expenditure. Statutory powers are granted by Parliament and give local councils the choice or opportunity to take action and are therefore discretionary. Like all powers given to public bodies the powers of local councils are defined in detail in legislation and these details may include a requirement to obtain the consent of another body. Local Councils must exercise their powers subject to the provisions of the general law.

Section 4 – Payment controls

The internal auditor will specifically check bank reconciliation including credit/debit cards and management approval processes and evidence that internal Financial Regulations (FO) are being followed. The internal auditor will examine how regular payments are managed and specifically seek evidence that these have been brought back to the Council for verification purposes especially where the actual payment made differs from the amount previously agreed. VAT should be clearly identified including evidence that claims have been correctly managed. The internal auditor will check if the Council has a clear understanding on eligibility in relation to the General Power of Competence and that s.137 has been correctly applied and managed.

Evidence		<i>Internal auditor commentary</i>
Is there supporting paperwork for payments with appropriate authorisation?	Yes	A selection of random payments was cross checked against cash book, bank statement, invoices and minutes and all were found to be recorded/ authorised in accordance with Proper Practices. A further spot check of items paid via the system from the Council's Accounts was also cross checked against cashbook, bank statements and invoices. All were found to be in order. A spot check of payments made under contractual terms were further analysed and all were found to be in accordance with agreed schedules and sums approved. <i>COMMENT: The Parish Council shows good practice by ensuring that retrospective payments incurred for the month are submitted to and approved by full council in accordance with Council's Own Standing Orders and Financial Regulations.</i>

Where applicable, are internet banking transactions properly recorded and approved?	Yes	Internet banking is operated in accordance with the Council's own Financial Regulations and is used for the settlement of the Council's expenditure. The Internal Control Statement details the procedure to be followed for such payments. A schedule of both due and retrospective regular payments is submitted to the Council for approval at each meeting and published within the minutes of each relevant meeting.
Is VAT correctly identified, recorded, and claimed within time limits?	Yes	VAT is identified in the cash book with the reclaim for the period covering 1 April 2025 to 31 December 2025 in the sum of £437.33 being verified in the cashbook and bank statements having been received on 2 nd February 2026. The year-end balance stands at £15.61 which is still to be claimed.
Has the Council adopted the General Power of Competence (GPOC) and is there evidence this is being applied correctly? ³	N/A	Council has not adopted the General Power of Competence.
Are payments under s.137 ⁴ separately recorded, minuted and is there evidence of direct benefit to electorate?	No	Whilst there were no payments identified as being made under this power for the year under review, the following should be noted: <i>COMMENT: The donation to the East Anglian Air Ambulance should be identified as a payment made under S.137. However, the donation to Citizen's Advice has Power S.142 (2A) of the Local Government Act 1972 which explicitly allows local authorities to give grants to voluntary organisations that provide advice and information to individuals.</i>
Where applicable, are payments of interest and principal sums in respect of loans paid in accordance with agreements?	N/A	Council has no such loan
Additional comments: <i>The Council might wish to consider, in order to show good practice, implementing a system whereby evidence is retained showing which Councillors authorised the on-line payments thereby ensuring that there is an effective system in place to reduce the</i>		

³ Localism Act

⁴ Section 137 of the Local Government Act 1972 ("the 1972 Act") enables local councils to spend a limited amount of money for purposes for which they have no other specific statutory expenditure. The basic power is for a local council to spend money (subject to the statutory limit – of £11.10 per elector) on purposes for the direct benefit of its area, or part of its area, or all or some of its inhabitants.

risks of error for such payments. This not only protects the RFO but will fulfil an internal control objective to ensure the safeguarding of public money.

Section 5 – Income controls		
The internal auditor will seek evidence to ensure income is correct managed – recorded, banked, and reported and test mechanisms used to achieve this.		
Evidence		Internal auditor commentary
<i>Is income properly recorded and promptly banked?</i>	Yes	Income is recorded in accordance with Council's Financial Regulations. Income for the year 2025-26 was provided by Precept, CIL payments, VAT reclaim and bank interest only. In accordance with proper practices, the RFO has ensured that the accounting records contain all day-to-day entries of all sums of money received.
<i>Is income reported to full council?</i>	Yes	Income received is reported to full Council within the financial reports submitted to full Council in accordance with council's financial regulations
<i>Does the precept recorded agree to the Council Tax Authority's notification?</i>	Yes	Council received precept in the sum of £4,924 from Mid-Suffolk District Council for the period under review as reported to full Council within its Financial Reports at its meetings in May and September. Evidence was provided showing a full audit trail from Precept being discussed and approved to being served on the Charging Authority to remittance advice showing the Precept to be paid and receipt of same in the Council's Bank Account.
<i>If appropriate, are CIL reporting schedules in accordance with the Regulations?⁵</i>	Yes	During the year under review, Council received CIL receipts totalling £1,596.80. The RFO has created an Earmarked Reserve for retained CIL balances.

⁵ Community Infrastructure Levy Regulations 2010

<i>Is CIL income reported to the council?</i>	Yes	The CIL receipt received was reported to full Council at the meeting of 12 November 2025. The RFO provides the Council with a report detailing the CIL payments received by the Council to date along with timescales by which the monies should be expended.
<i>Does unspent CIL income form part of earmarked reserves?</i>	Yes	The draft CIL annual report for 2025-2026 shows that there is a retained balance of £4,670.20 which has been transferred into an Earmarked Reserve specifically allocated, in accordance with the Regulations.
<i>Has an annual report been produced?</i>	Yes	The council has complied with its duty to produce annual reports that detail the amount of CIL funds received and spent and has demonstrated it understands the requirements to comply with its duty to produce and publish the annual report.
<i>Has it been published on the authority's website?</i>	Yes	The annual report for the year ending 2026 showing income received and retained balances was verified by the internal auditor and has been uploaded onto the Council's website.
Additional comments:		

Section 6 – Petty cash The Internal Auditor will seek evidence that the Council has followed its own policies, procedures, and verification processes and that these are up to date.		
Evidence		Internal auditor commentary
<i>Is petty cash in operation?</i>	N/A	Council does not operate a petty cash system.
<i>If appropriate, is there an adequate control system in place?</i>	N/A	

Section 7 – Bank reconciliation		
The internal auditor will seek to establish that the Council understands and can evidence good practice and internal control mechanisms in relation to bank reconciliation.		
Evidence		Internal auditor commentary
<i>Is bank reconciliation regularly completed and reconciled with the cash book and cover every account?</i>	Yes	A number of samples were tested. There is evidence of good financial practice, and the Council has implemented a system whereby bank reconciliation is correctly verified by the Council.
<i>Do bank balances agree with bank statements?</i>	Yes	Bank balances agree with period end statements and, as at year end (31 st March 2026 the balance across the council's accounts stood at £14,064.73* as recorded in the Draft Statement of Accounts and on the Year-end Bank Reconciliation.
<i>Is there regular reporting of bank balances at Council meetings?</i>	Yes	Balances across the Council's accounts are reported at each meeting of full Council. The minutes of Full Council meetings, demonstrate that a review of the bank reconciliation versus the bank statements has been undertaken. This is not only good practice but is also a safeguard for the RFO and fulfils one of the authority's internal control objectives. The bank reconciliation is a key tool for management as it assists with the regular monitoring of cash flows and therefore aids decision-making.
Additional comments:		

Section 8 – Payroll controls	
The Internal Auditor will check salaries were approved in accordance with PAYE, NI, Pension and that there is a clear understanding that the clerk is not self-employed. The Internal Auditor will also review how payroll is managed including evidence of approval of payslips.	
Evidence	Internal auditor commentary

<i>Do all employees have contracts of employment?</i>	Yes	Council had one employee on its payroll at the period end of 31 March 2026. Employment contracts were not reviewed during the internal audit but the RFO to the Council has confirmed that the member of staff did have a Contract of Employment in place.
<i>Has the Council approved salary paid?</i>	Yes	All salary payments are presented to the Council for approval and payments made in accordance with Council's own Financial Regulations. <i>Comment: Council has noted the requirement to ensure that it formally approves amendments to any employee's pay, emoluments, or terms and conditions of employment.</i>
<i>Are all employees paid at least the minimum wage?</i>	Yes	Employee was paid at least the national minimum wage.
<i>Are arrangements in place for authorising of the payroll and payments to the council? Does this include a verification process for agreeing rates of pay to be applied?</i>	Yes	There are suitable payroll arrangements in place which ensures the accuracy and legitimacy of payments of salaries and wages, and associated liabilities and as such the council has complied with its duties under legislation.
<i>Do salary payments include deductions for PAYE/NIC? Is PAYE/NIC paid promptly to HMRC?</i>	Yes	The payroll function for the year under review is operated in accordance with HM Revenue and Customs guidelines and outsourced to Suffolk Association of Local Councils. Cross-checks were completed on three payments covering salary and PAYE were found to be in order. Deductions paid to HM Revenue and Customs during the year under review were made in accordance with timescales as set out in the regulations.
<i>Is there evidence that the Council is aware of its pension responsibilities? Are pension payments in operation?⁶</i>	Yes	It is noted that Council is aware of its pension responsibilities and that no pension provision was required by the member of staff.
<i>Have pension re-declaration duties been carried out</i>	Yes	From paperwork seen, the council completed its re-declaration of compliance with The Pensions Regulator on 5 July 2025. <i>Comment: if the Council last carried out its re-enrolment duties in 2025, it will be aware that every three years further re-enrolment duties will apply.</i>

⁶ The Pension Regulator – [website click here](#)

		<i>Council should ensure that it comply with any deadlines for 2028 as stated in communications from the Pension Regulator.</i>
<i>Are there any other payments (e.g.: expenses) and are these reasonable and approved by the Council?</i>	Yes	There is a satisfactory expense system in place and all expenses claimed are approved by full council with supporting paperwork in place and reimbursed in accordance with Council's Financial Regulations.
Additional comments:		

Section 9 – Year End procedures		
Evidence		<i>Internal auditor commentary</i>
<i>Are appropriate accounting procedures used?</i>	Yes	Accounts are produced on a receipts and payments basis and all found to be in order.
<i>Financial trail from records to presented accounts</i>	Yes	The end of year accounts and supporting documentation were well presented for the internal auditor review. There is a full audit trail from records to presented accounts.
<i>Has the appropriate end of year AGAR⁷ documents been completed?</i>	Yes	As Council is a smaller authority with gross income and expenditure not exceeding £25,000 it will be required to complete the Annual Governance and Accountability Return (AGAR) Form 2. The Accounting Statements were submitted in draft form for the internal audit review, and it is assumed that the figures submitted will be those that are replicated in their entirety onto the AGAR.

⁷ Annual Governance & Accountability Return (AGAR)

<i>Did the Council meet the exemption criteria for 2024-2025 and correctly declared itself exempt?</i>	Yes	As the Council was a smaller authority with a gross income and expenditure not exceeding £25,000 for the period under review, it was able to certify itself as an exempt authority which was confirmed at a meeting of the Council on 7 May 2025. The minutes of 7 May 2026 demonstrate that Sections 1 and 2 and the Certificate of Exemption were reviewed, and permission was given for the Chair and Clerk to sign the documents. <i>Comment: Council has ensured that there is formal evidence of the legal decision taken to claim exemption under section 9 of the Local Audit (Smaller Authorities) Regulation 2015.</i>
<i>During the period in question did the small authority demonstrate that it correctly provided for the exercise of public right as required by the Accounts and Audit Regulations 2015?</i>	No	During the review of the publication requirements of the Accounts and Audit Regulations 2015, it is noted that, for the year 2024-2025, the Council did not correctly provide for the exercise of elector's rights. The Clerk had set the dates for the inspection of the Council's accounts and associated documents as 13 May 2025 to 15 July 2025 with the date of the notice being 10 May 2025. This was not for a period of <u>exactly</u> 30 working days inclusive and is not in accordance with the prescribed dates for the exercise of public rights as detailed in the as specified under Sections 26 and 27 of the Local Audit and Accountability Act 2014 and the Accounts and Audit Regulations 2015. Recommendation: council should ensure that it correctly provides for the exercise of public rights and sets the period for 30 working days to include the first 10 working days in July. As Council failed to properly allow for the exercise of public rights for the year 2024-25 during Summer 2025, it is advised to review its response to Assertion 4 of the Annual Governance Statements. Council should also note that the dates set for the provision of the exercise of public rights for the year 2026 (in respect of the year ending 31 March 2026) are also incorrectly set. The form states that the period will commence on 11th May 2026 and finish on 15th July

		2026. As previously stated this is not 30 working days which must include the first 10 working days of July 2026.
<i>Have the publication requirements been met in accordance with the Regulations?⁸</i>	No	In accordance with the Accounts and Audit Regulations 2015 as a smaller authority with income and expenditure not exceeding £25,000 council published the following on a public website: those in bold were missing from the website: • Certificate of Exemption, page 3 • Annual Internal Audit Report 2024-25, page 4 • Section 1 – Annual Governance Statement 2024-25, page 5 • Section 2 – Accounting Statements 2024-25, page 6 • Notice of the period for the exercise of public rights and other information required by Regulation 15 (2), Accounts and Audit Regulations 2015. • Analysis of variances • Bank reconciliation <i>COMMENT: It is also a requirement that council publishes an Analysis of Variances and a Bank Reconciliation.</i>
Additional comments:		

Section 10 – Risk management The internal auditor will expect to find evidence of the management of risks from identification of what those are for each individual Council through to how these will be managed and the controls in place to mitigate these and that these have been approved by the Council.		
Evidence		Internal auditor commentary
<i>Is there evidence of risk assessment documentation?</i>	Yes	The risk assessment documentation as reviewed provides details of the risks associated with the functioning of a smaller authority and the measures that the Council will undertake to mitigate such risks. The Risk

⁸ Accounts and Audit Regulations 2015

		Register for the year under review was considered and adopted by full Council at its meeting of 12 November 2025. Comment: <i>there is an outstanding audit point on the risks associated with a serving councillor being the RFO which should be addressed within the annual review of the financial risk register.</i>
<i>Is there evidence that risks are being identified and managed?</i>	Yes	Council is aware that risk assessment needs to focus on the safety of the parish council's assets, and particularly its money. There is evidence that overall, the parish council has taken action to identify and assess those risks and has considered what actions or decisions it needs to take during the year to manage in order to avoid financial or reputational consequences.
<i>Does the Council have appropriate and adequate insurance cover in place for employment, public liability and fidelity guarantee and has been reviewed on an annual basis?</i>	Yes	Council has insurance in place under a specialist policy for local councils with Zurich Municipal which shows core cover for the following: Employer liability: £10million; Public Liability: £12million and Fidelity Guarantee of £250,000. <i>COMMENT: Council has followed recommended guidance by ensuring that its Fidelity Cover is equal to at least the sum of the year-end balances plus 50% of the precept/grants to be received in the following April.</i> The Council's insurance cover was renewed at their meeting on 24 September 2025 but there is not a minute to show the cover was reviewed and considered appropriate. Whilst risks have been identified and steps taken to manage those risks, there should be a record that the RFO has undertaken a review as this will help manage the potential consequence of a risk occurring. <i>COMMENT: Council has ensured that it is able to demonstrate that it has reviewed the risks facing the Council in transacting its business and has taken out appropriate insurance to manage and reduce the risks relating to property, cash and legal liability (amongst other things).</i>

<i>Evidence that internal controls are documented and regularly reviewed⁹</i>	Yes	At the meeting of 21 January 2026, Council, in accordance with Regulation 6 of the Accounts and Audit Regulations 2015, confirmed that the financial and management systems of the council were sound and adequate and internal control arrangements were efficient and effective to address the risks associated with the management of public finances.
<i>Evidence that a review of the effectiveness of internal audit was conducted during the year, including consideration of the independence and competence of the internal auditor prior to their appointment¹⁰</i>	Yes	In accordance with the Accounts and Audit Regulations 2015, the Parish Council formally reviewed the scope and effectiveness of its internal audit arrangements, evidence of which is contained within its Internal Control Policy as adopted on 21 January 2026.
Additional comments: <i>the Council has identified a number of risks to /brandish Parish Council and taken steps to control these. These are clearly identified and approved by the Council. In accordance with proper practices the council has demonstrated it has taken steps to manage key risks in a way it can justify to a level which is tolerable by transferring the risks and taking out insurance, and that the review of insurance cover has been reported back to full Council and duly minuted. By reviewing the terms of reference for internal audit the council has followed guidance and demonstrates it recognises that the internal audit function is to test and report to the authority on whether its specific system of internal control is adequate and working satisfactorily.</i>		

Section 11 – Asset control The Internal Audit will be seeking to establish if there is a list of assets in accordance with proper practices including the date of acquisition, location, and value. This extends to checking policies (with evidence of review) and that the Council has applied the documented approach in practice. The Internal Auditor will check not only valuation processes but the existence of reserve budgets for depreciation and adequacy of insurance. A clear audit trail should be available when items are purchased including minutes to evidence approval.		
Evidence		Internal auditor commentary
<i>Does the Council maintain a register of material assets it owns and manage this in accordance with proper practices?¹¹</i>	Yes	The Asset Register, as viewed on the Council's website, and as approved at the meeting of 21 January 2026, was reviewed during the year and

⁹ Accounts and Audit Regulations

¹⁰ Practitioners Guide

¹¹ Practitioners Guide

		reflects those items listed under insurance and within the Parish Council's remit for maintenance and ownership.
<i>Is the value of the assets included? (Note value for insurance purposes may differ)</i>	Yes	It is noted that the declared value for all assets at year-end (31.03.2026) is £16,323.00 which reflects overall movement in the asset register covering acquisitions and disposals. <i>Comment: Council is mindful of the guidance within the Governance and Accountability for Smaller Authorities in England March 2025 on the valuation of its assets and has ensured that where the acquisition value of the asset at the time of first recording is used, that method of valuation has been consistently applied.</i>
<i>Are records of deeds, articles, land registry title number available?</i>	N/A	Records of deeds, articles, land registry title number were not reviewed during the internal audit which was carried out via remote means.
<i>Are copies of licences or leases available for assets sited at third party property?</i>	N/A	
<i>Is the asset register up to date and reviewed annually?</i>	Yes	The Asset Register was reviewed and approved by council at a meeting held 7 May 2025, following which it was then updated on 21 January 2026.
<i>Cross checking of insurance cover</i>	Yes	Council has insurance under all risks cover for its assets as specified under generic headings on the insurance schedule.
Additional comments: <i>Councils should be mindful of the guidance in Governance and Accountability for Smaller Authorities for England (March 2025) regarding valuation of assets and ensured that where the acquisition value of the asset at the time of first recording is used, that method of valuation has been consistently applied and if/where amended it will need to publish and provide explanations in changes in value to any previously recorded assets.</i>		

Section 12 – Assertion 10

The internal auditor will be checking that the council complies to the new assertion 10 introduced in the Practitioners' Guide 2025.

Evidence		Internal auditor commentary
<i>Has the Council registered with the Information Commissioner's Office (ICO)?¹²</i>	Yes	The Council is correctly registered with the Information Commissioner's Office (ICO) as a Data Controller in accordance with the Data Protection Legislation.
<i>Is there an adopted council publication scheme and is it reviewed regularly?</i>	Yes	It is noted that Council last reviewed its Model Publication Scheme detailing the type of information the Council holds and how it will make it available to the public in 2026. <i>COMMENT: Under the Freedom of Information Act 2000, public authorities must provide access to information held which must be published proactively. The Freedom of Information Act requires every public authority to have a publication scheme and to publish information covered by the scheme. Council should seek to review the information it holds under its scheme and ensure that it is up to date and ensure that it is available to view on its website.</i>
<i>Is the Council compliant with the General Data Protection Regulation requirements?¹³</i> <i>Councils must:</i> <i>Comply with their legal & statutory obligations under UK GDPR & The Data Protection Act 2018</i> <i>Process personal data lawfully, fairly and in line with the prescribed data protection principles</i> <i>Recognise their role as both data controller and data processor</i>	Partially	Council has taken some active steps to ensure compliancy with the GDPR requirements, evidenced below and has adopted a number of GDPR Policies during the year that provides clear responsibilities and obligations of the Council in respect of the collecting, using and protecting of personal information in accordance with the provisions of the GDPR. The following are in place and have been reviewed (dates in brackets): <i>Privacy Policy (30 January 2023)</i> <i>Procedures for dealing with subject access requests (21 January 2026)</i> <i>Comment: The Privacy Policy on the Parish Council's website covers the framework that the public can expect for dealing with requests from individuals who have the right to know what data is held on them, why the data is being processed and whether it will be given to any third party.</i>

¹² Data Protection Act 2018

¹³ UK General Data Protection Regulation (UK GDPR) and the Data Protection Act 2018.

		RECOMMENDATION: To achieve best practice, councils are recommended to: • Evidence of review of Privacy Policy • Inclusion of employees within the Privacy Policy • Adopt a Data retention policy to include information on disposal • Adopt a Data Impact Assessment identifying categories of personal data held, the format in which it is stored and the legal justification for its processing under the UK GDPR. • Adopt procedures for dealing with Freedom of Information requests. • Adopt procedures for dealing with data breaches • Carry out data protection audits, mapping personal data being processed and carry out data risk assessments. • Provide regular data protection compliance training for council staff and councillors.
<i>Has the Transparency Code been correctly applied, and information published in accordance with current legislation?</i>	No	To ensure compliance with the requirements of the <u>Transparency Code for smaller authorities</u> (turnover not exceeding £25,000), Council is aware that the following should be published on a public website for the year 2025/2026 not later than 1 July: • Internal Audit Report • List of Councillors and Responsibilities • Items of Expenditure Above £100 including recoverable and non-recoverable VAT • End of Year Accounts • Annual Governance Statement • Asset Register • and that Agendas of Meetings; Associated Papers and Minutes should be published in accordance with the prescribed timescales as set out in the Transparency code for smaller authorities – December 2014.

		<i>COMMENT: although the council published certain datasets on its website in accordance with the required timescales, for the year 2024-25 the following were not published:</i> • List of Councillors and Responsibilities • Items of Expenditure Above £100 including recoverable and non-recoverable VAT
<i>Has the Council published a website accessibility statement on their website in line with Regulations?¹⁴</i>	Yes	Council has accessibility tools on its website thereby allowing for the increased functionality of the council's website, along with a website accessibility statement on the Council operated website detailing the technical information of the website along with the methods used for testing the website; the steps being taken to improve accessibility and how the site is being improved to ensure that content meets the WCAG 2.2 Standard under Regulation 8 of the Public Sector Bodies (Websites and Mobile Applications) (No. 2) Accessibility Regulations 2018.
<i>Has website accessibility been tested, at least annually?</i>	Unable to confirm	Whist Council has shown a clear understanding of the website accessibility regulations and its Website Accessibility Statement states that it is regularly tested, there is no date of when the website was tested, so it cannot be confirmed whether a review of website accessibility has been carried out during the last financial year. <i>COMMENT: to ensure that the council website complies with the regulations, it is best practice to test for website accessibility at least annually.</i>
<i>Does the council have, as a minimum, a single generic email address on an authority owned domain, for correspondence?¹⁵ For example clerk@abccouncil.gov.uk or clerk@abccouncil.org.uk</i>	Yes	Council operates with a .gov.uk email address for the Clerk <i>COMMENT: this ensures that sensitive information is handled in a controlled environment with appropriate security measures. This aligns with GDPR principles such as data minimisation, integrity and confidentiality. Authority-owned email accounts provide a clear record of communications, which is essential for transparency and accountability. This helps in maintaining an</i>

¹⁴ Website Accessibility Regulations 2018

¹⁵ Practitioners Guide

		<i>audit trail and ensures all council-related communications are accessible for review if needed and makes Data Subject Access and Freedom of Information Requests easier to manage.</i> Best practice is for all council (clerk, councillors, other staff) to have matching email: e.g. Cllr.bobsmith@abcparishcouncil.gov.uk or cllr.bobsmith@abcparishcouncil.org.uk If not, free email services are permitted currently, such as, cllrbobsmith@gmail.com but NOT personal email addresses e.g. bobsmith1968@yahoo.co.uk <i>COMMENT: Authority-owned email accounts ensures that sensitive information is handled in a controlled environment with appropriate security measures. This aligns with GDPR principles such as data minimisation, integrity and confidentiality.</i>
Does the council have an IT policy that is tailored to the council? ¹⁶	Yes	The council has adopted an Electronic Communications and Systems Policy that has been personalised for the specific use of the council. This policy was approved at the meeting of 21 January 2026.
Additional comments:		

Section 13 – Internal audit The internal auditor will revisit weaknesses and recommendations previously identified to see if these have been addressed. They will also check if any changes introduced require further verification to ensure effectiveness of the corrective action taken.	
Evidence	<i>Internal auditor commentary</i>

¹⁶ Practitioners Guide

<i>Has the Council considered the previous internal audit report?</i>	Yes	The Internal Audit Report for the period ending 31 March 2025 was formally considered by and approved for adoption at the meeting of full Council of 24 September 2025. The RFO was authorised to conduct necessary actions in accordance with the recommendations and comments raised within the report which was monitored as the year progressed.
<i>Has appropriate action been taken regarding the recommendations raised?</i>	Partially met	The formal recommendations raised within the internal audit report for the year ending 31 March 2025 were as follows: and those in bold are outstanding: • Council is advised to restate the figures on the exemption certificate and accounting statements as approved in May 2025. (Although the figures were changed upon instruction from the External Auditor, there is no record of the exemption certificate and accounting statements being re-approved by Full Council. Council is advised that amendments to the approved AGAR should be returned to the council for noting at the earliest opportunity). • Council should seek to adopt the updated Model Standing Order (England) 2025 which contain amendments to section 18 to comply with new procurement legislation and ensure consistency with the revised Model Financial Regulations. The changes are to 18.a.v, 18.c, 18.d, and 18.f. NALC have also updated Model Standing Order (England) section 14 to better reflect Code of Conduct requirements. 14.a, 14.b, and 14.c have been removed. NALC have also changed the language in the document to gender-neutral terms to align with their policy and the Civility and Respect Project. • as advised by SALC in March 2025, council should seek to adopt the Model Financial Regulations, tailored to the council, which replace the 2024 version. • There is a lack of clarity over the separation of the role of Clerk and RFO in the risk assessment and internal control statement. Council should seek to ensure that it addresses the fact that the roles are in fact conducted by two separate persons as well as addressing the risk that a serving councillor being the s151

		officer is able to authorise the raising of orders which is contrary to council's financial regulations. • as council is unable to demonstrate that, in accordance with Proper Practices, the risks are being annually reviewed, assessed and appropriate measures are in place to protect public money, it should consider its response to Assertion 5 on the Annual Governance Statements for the year ending 31st March 2025. • as mentioned under payments controls, council should seek to address the conflict with a member being a s151 Officer with its own Financial Regulations in particular regulation 10.4 "a member may not issue an official order or make any contract on behalf of the council". Whilst there are elements of the broader role of the RFO that can be conducted by a councillor, to ensure compliancy with regulation 1.8, a member of the council cannot be appointed as an Officer of the council. • The adoption of an Internal Control Statement (model templates are available from SALC) would provide the basis for council to demonstrate that, under the Accounts and Audit Regulations 2015, it has in place safe and efficient arrangements to safeguard public money which are annually reviewed and assessed for their effectiveness. Such an assertion would be used to inform the council's preparation of its annual governance statement. • given the disparity between information held online and that submitted for internal audit review, council should consider including within the body of the minutes the actual budget being set alongside the reasoning for such a budget thereby ensuring transparency in the budgetary process followed by the council. • Council should be aware that under the Pensions Act 2008, every employer in the UK must put certain staff into a workplace pension scheme and contribute towards it. This is called 'automatic enrolment,' and details can be found at: http://www.thepensionsregulator.gov.uk The link below will also provide further details of Council's obligations as an employer: https://www.thepensionsregulator.gov.uk/en/employers
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		• council is advised to revisit the approved documents noting the amendments to its overall income and expenditure as mentioned under Proper Bookkeeping above. • council should review the information it holds and seek to adopt a publication scheme to demonstrate compliancy with the act. • council should seek to review its website for compliance and seek to adopt and publish a website accessibility statement. • The recommendations raised within the internal audit report for the year ending 31st March 2024 were as follows and those in bold are outstanding: 1. Review of Standing Orders to incorporate procurement amendments 2. Review of Financial Regulations to incorporate procurement amendments 3. Review of payments made under s137 4. Inclusion of the level of precept being set in the minutes 5. Review of cashbook versus year end bank reconciliation 6. At the AGM, the election of the chair should be the first item on the agenda Recommendation: in order to warrant a positive response to Assertion 7 of the Annual Governance Statement, council should seek to address the matters brought to its attention by internal (and external) audit.
<i>Has the Council confirmed the appointment of an internal auditor?¹⁷</i> <i>Has the letter of engagement been approved by full council?¹⁸</i>	Yes	SALC were appointed as the Council's internal auditors for the year ending 31 March 2026 at the meeting of 11 March 2026.
Additional comments:		

¹⁷ Practitioners' Guide

¹⁸ Practitioners' Guide

Section 14 – External audit for the period under review		
The internal auditor will revisit the external audit so that previous weaknesses and recommendations can be considered.		
Evidence		<i>Internal auditor commentary</i>
<i>Has the Council considered the previous external audit report?¹⁹</i>	N/A	Council was exempt from a Limited Assurance Review.
<i>Has appropriate action been taken regarding the comments raised?</i>	N/A	Council was exempt from a Limited Assurance Review.
Additional comments:		

Section 15 – Additional information		
The internal auditor will look for additional evidence of good record keeping, compliance with data protection regulations, freedom of information and website accessibility regulations.		
Evidence		<i>Internal auditor commentary</i>
<i>Was the annual meeting held in accordance with legislation?²⁰</i>	Yes	The Annual Meeting of the Parish Council was held on 7 May 2025 and the first item on the agenda was the election of Chairperson.
<i>Is there evidence that Minutes are administered in accordance with legislation?²¹</i>	Yes	Council is aware that that under LGA 1972 schedule 12, paragraphs 41(1) and 44 the draft minutes of a meeting should be formally approved (with any necessary amendments) at the next meeting. At each meeting, the Chair is given formal approval to sign the minutes.
<i>Is there a list of members' interests held?</i>	No	Evidence was seen on the District Authority's website of three Register of Interests , one of which is not for a current Parish Councillor. Council is also

¹⁹ Regulation 20 Accounts and Audit Regulations 2015 – *following completion of an audit the Council should note that it is the Council as a whole (i.e., All members) and not a committee that should receive and consider the audit letter (including Annual Return and Certificate) from the local auditor as soon as reasonably practicable and the minutes should reflect that these have been received.*

²⁰ The Local Government Act 1972 Schedule 12, paragraph 7 (2) and Schedule 15 (2)

²¹ Public Bodies (Admission to Meetings) Act 1960, Local Government Act 1972, and the Localism Act 2011

		reminded of the legal requirement, under the Localism Act 2011 for Parish Councillors to complete a Register of Interests form within 28 days of becoming a member or co-opted member of the authority. Recommendation: Councillors must complete a form which includes all disclosable pecuniary interests and any other personal interests that the adopted Code of Conduct has determined should be registered. Councillors should be aware that it is essential for all councillors to ensure that all personal interest that conform with the Seven Principles of Public Life are registered. There appears to be no direct correlation between serving councillors named in the minutes and those that appear on the website. It is noted that some of the councillors' details appear to be missing, and some require removing RECOMMENDATION: Council should review the information held and correct where required.
<i>Does the Council have any Trustee responsibilities and if so, are these clearly identified in a Trust Document?</i>	N/A	Council does not have any Trustee Responsibilities.
<i>Is there evidence that electronic files are backed up?</i>	Yes	Council uses a system whereby a back-up of the council's data is taken and stored appropriately.
<i>Do terms of reference exist for all committees and is there evidence these are regularly reviewed?</i>	N/A	Council does not operate with a committee system.
Additional comments:		

Reviewers: Debbie Frost and Victoria Waples

Date of Internal Audit review: 25.06.26 – 29.06.26

Date of Internal Audit Report: 29.06.2026

On behalf of Suffolk Association of Local Councils